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ABSTRACT

This annotated bibliography summarizes 12 selected publications concerned with the general topic of management by objectives. The selections are intended to give practicing educators easy access to the most significant and useful information regarding management by objectives that is available through the Educational Resources Information Center (ERIC). All the publications described here were selected from the ERIC catalogs "Resources in Education" (RIE) and "Current Index to Journals in Education" (CIJE). Information on how to order copies of the cited publications through the ERIC Document Reproduction Service is also included. (JG)

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The Best of ERIC presents annotations of ERIC literature on important topics in educational management.

The selections are intended to give the practicing educator easy access to the most significant and useful information available from ERIC. Because of space limitations, the items listed should be viewed as representative, rather than exhaustive, of literature meeting those criteria.

Materials were selected for inclusion from the ERIC catalogs *Resources in Education (RIE)* and *Current Index to Journals in Education (CIJE)*.

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Management by Objectives

Bell, Terrel H. "MBO: An Administrative Vehicle to the Ends and Means of Accountability." ***North Central Association Quarterly***, 48, 4 (Spring 1974), pp. 355-359. EJ 098 828.

An MBO system "focuses upon institutional performance rather than the performance of individuals," according to Bell. This shift in emphasis means that accountability need no longer be as threatening to school personnel, since the fixing of individual responsibility for failure is no longer paramount.

Bell outlines a model MBO system for the schools, emphasizing the importance of adequately and carefully defining objectives. In fact, 9 of the 13 steps in his system involve the identification and formulation of objectives. These parts of the process are intended to commit the whole district (from teachers through superintendent) to achieving common goals first specified by needs assessment. Although the objectives are not equally applicable to all personnel and all schools in the district, the manner in which they are formulated has a unifying effect. Thus, "performance outcomes evaluation" focuses on the progress of the district as a whole, but not on the isolated performance of individuals.

MBO "provides the road map that all can read and from which all can attain a certain sense of momentum and accomplishment," as this United States Commissioner of Education states. It furnishes "the administrative machinery" for serving students and solving their problems—the true goals of accountability, according to Bell.

Dunn, Pierre. ***Management By Objectives.*** NAESP School Leadership Digest Second Series, Number 3. ERIC/CEM Research Analysis Series, Number 18. Washington, D.C.: and Eugene: National Association of Elementary School Principals; and ERIC Clearinghouse on Educational Management, University of Oregon, 1975. 32 pages. ED 114 904.

"If management by objectives has the potential to greatly improve existing educational administration, it has been a well-kept secret, for the system certainly is not very widespread," according to Dunn. But the concepts that MBO is based on are well known in business and are firmly rooted in management theory. In this review of the literature, Dunn briefly recounts the history of managerial organization, along with the recent trend toward systems management. MBO is a systems approach, focusing on three interrelated parts—resources, operation, and results.

Dunn points out that although a number of variations of MBO exist, they all share four major characteristics. Results, rather than methods, are emphasized; "responsibility for achieving these results is shared by the superior and his subordinate"; specificity is stressed; and evaluation is conducted on the basis of performance.

Negative attitudes toward MBO held by some administrators sometimes arise from "bad experiences with bureaucratic paper-shuffling," according to Dunn. He cautions against regarding MBO in such a manner. Instead, MBO offers a viable means of regaining control over disorganized and inefficient bureaucracies.

Dunn concludes that "MBO can be a very beneficial system" if its practitioners are committed to making it work and if it is implemented with care and patience.

Order copies from National Association of Elementary School Principals, 1801 North Moore Street, Arlington, Virginia 22209. Single copy, $2.50; series of 12, $27.80. Also available from EDRS. MF $0.76 HC $1.95. Specify ED number.

Goddu, Roland. ***Evaluation in an Management by Objectives System.*** Durham, New Hampshire: New England Program in Teacher Education, 1975. 14 pages. ED 110 459.

A "results-oriented management procedure" that emphasizes the importance of the middle manager (the project director) is the best way to utilize resources for improved instruction, according to Goddu. He recommends setting objectives that address qualitative, as well as quantitative, aspects of education. "Quality outcomes," such as students' ability to make independent, responsible decisions, are just as valid in an MBO system as quantity-oriented goals.

The application of "a management and supervision by results approach" to program planning and implementation must be geared to outcomes, not to individual activities. Evaluation must likewise emphasize overall outcomes.

Goddu recommends a seven-step process for implementing a results-oriented procedure. A "statement of mission"—the

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long-range goals—must be formulated. Resources, rules and regulations, "organization patterns," and other characteristics of the organizational environment must be defined. A brief list of the kinds of programs to be conducted under the aegis of the project as a whole must be coordinated with "expectations and standards" formulated for the project. After this process of goal specification, the project director negotiates with his superiors for resources to carry out the project.

Goddu presents a series of charts intended to assist in the process of defining goals and measuring outcomes.

Order from EDRS. MF $0.76 HC $1.58. Specify ED number.

Hunady, Ronald J., and **Varney, Glenn H.** "Salary Administration: A Reason for MBO!" *Training and Development Journal,* 28, 9 (September 1974), pp. 24-28. EJ 103 644.

One of the reasons for MBO's success and "popularity" lies in "its linkage to the salary compensation system of an organization," according to Hunady and Varney. These two MBO proponents take issue with those who maintain that salary increases should not be tied to the individual's achievement of the kind of specific goals set in an MBO system. Instead, they believe that MBO brings objectivity and rationality to salary administration. Salary setting thus assumes its proper place as one component of a total management system.

Hunady and Varney cite research supporting their position that the reward process (in the form of salary increases) is essential to the successful functioning of MBO. Since salary increase is a major means of rewarding performance (the accomplishment of specific MBO objectives), only job-related factors should be considered in salary setting. According to these authors, "age and length of service" should have no bearing on salary.

This article suggests a method of quantifying results and presenting them in percentage form for comparison with both previous individual performance and the performance of other employees.

Johnson, Milo P. "Individualizing Instruction and Management by Objectives." Paper presented at American Vocational Association annual meeting, New Orleans, December 1974. 13 pages. ED 105 161.

Management by objectives "should not be a device to evaluate staff members," according to Johnson. "Institutional objectives" must always take precedence over individual employee performance. These institutional objectives are of two kinds—measurable and unmeasurable. The latter, so important to sustaining and improving educational excellence, must not be slighted under MBO.

The most obvious measurable objective in education, according to Johnson, involves the number of credit units earned by students. This objective is easily correlated with cost, allowing for easier identification of ways to increase output and reduce expenditure. Johnson advocates letting faculty members define what competencies students must acquire to earn credit units. This definition process does not constitute objective-setting for individual teachers and does not form the basis for teacher evaluation. It does lead to an individualized instructional approach based on institutional objectives shared by everyone in the school—teachers, students, and administrators alike.

Johnson's article addresses one of the major issues raised by MBO—the personal evaluation process it entails—and offers a compromise of sorts between the sometimes conflicting responsibilities of the institution as a whole and the individuals functioning within the institution.

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Keim, William E. "Pennridge School District. How to Evaluate Administrative Staff: Recognizing Good Management." Paper presented at National School Boards Association annual meeting, Miami Beach, April 1975. 10 pages. ED 105 649.

According to this enthusiastic endorsement of MBO, better communications, "better delegation of responsibilities," improved morale, and "confidence in your fellow team member" can all result from the implementation of this management technique in the schools. Keim sees the shift "from individualism to teamwork" as wholly beneficial. He emphasizes that this transition takes time to implement, just as "a total philosophy and system based on M.B.O." takes time (several years) to evolve.

Keim bases his observations on the MBO system in operation in the Pennridge School District (Pennsylvania). He acknowledges that certain difficulties have arisen, such as superiors imposing "unrealistic goals and objectives on subordinates," and the possible overrating of weak administrators. But generally MBO has lent itself well to the implementation of the school board's long-range, overall plans for the district, according to Keim.

Although the Pennridge MBO system emphasizes the "management team concept," individual administrators are still evaluated by their superiors on the basis of their personal performance. A point system, whereby an administrator can be awarded up to 1,000 points for his performance, is integral to the evaluation process. The superintendent bases merit pay raises on the number of points an administrator collects.

Although this part of the evaluation process is more individually oriented, the team approach is used in the initial goal- and objective-setting stage. All administrators outline goals and objectives for presentation to their peers. Each set of goals and objectives is then rated by the administrators according to yet another point system.

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Morrisey, George L. "Making MBO Work—The Missing Link." ***Training and Development Journal,*** 30, 2 (February 1976), pp. 3-11. EJ number not yet assigned.

Morrisey begins by noting that MBO "has been less than the resounding success in some organizations that its advocates [the author included] predicted." The chief reason for this lack of success is the failure of some organizations to implement true participative management—"the greatest value" of MBO, according to Morrisey. MBO (or, as Morrisey prefers to call it, Management by Objectives and Results—MOR) is "a human, not a mechanical process." Some practitioners do not adequately recognize the human element in MBO/MOR.

Morrisey lists the advantages to be derived from MBO, including an all-important improvement in communications. Individual (one-to-one), "intra-unit," "inter-group," and organizationwide communications are improved in an effective MBO system. Indeed, "providing a means for increasing the understanding and commitment" of the people functioning within an organization is both the purpose of good communications and a necessary prerequisite for accomplishing the goals of MBO, according to Morrisey.

This article is a good example of the noneducation literature on MBO. The type of organization on which Morrisey bases his observations is a business, corporate organization, not an education organization. But this article indicates why so many MBO proponents are tempted to apply MBO to education—the two organizational types are very similar.

National Education Association. ***Is MBO the Way to Go? A Teacher's Guide to Management by Objectives.*** Washington, D.C.: 1975. 29 pages. ED 111 814.

The disadvantages and possible failings of MBO in the schools, as perceived by teachers, are clearly stated in this critique. "Business management techniques such as MBO are usually inappropriate at the instructional level with teachers and students," according to this position paper written for the National Education Association. The concept of "participatory management," integral to MBO, is frequently viewed by school administrators "as just a fancy new term" for the same kind of administration they have always practiced. Hence, teachers frequently feel left out of the goal- and objective-setting process so essential in an MBO system.

It is difficult to find specific and detailed definitions of MBO, even in business where this technique originated. The tendency toward generality is equally evident in the application of MBO to education. But, as this paper points out, in spite of its lack of specificity, MBO is still heartily endorsed by the U.S. Office of Education. This federal enthusiasm leaves those critical of MBO in education in a somewhat awkward position.

This paper cautions against the facile acceptance of MBO by the schools, noting that the differences between business and education demand modification of MBO, as well as partial redefinition of the roles of educators. For example, is the teacher to be considered a "manager"? And if so, what is to be the relationship between teacher and administrator? Some degree of relaxation of rigid administrator policy and attitudes toward teachers must be achieved in order for teachers to participate effectively in an MBO system.

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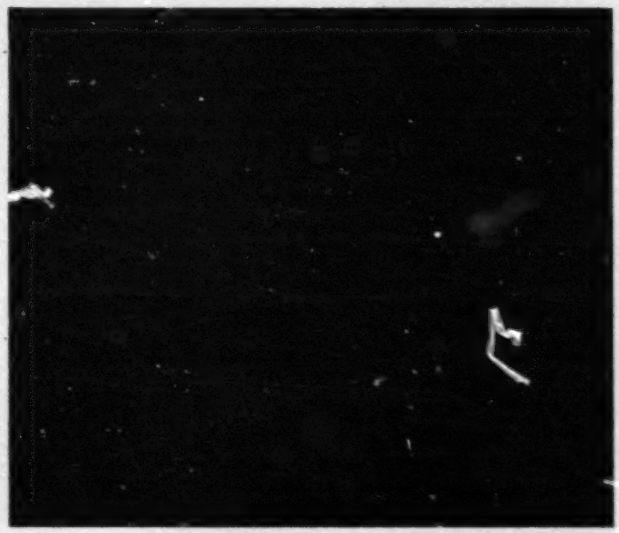
Read, Edwin A. "Accountability and Management by Objectives." ***NASSP Bulletin,*** 58, 380 (March 1974), pp. 1-10. EJ 093 830.

"For the administrator facing accountability demands, MBO offers a promising alternative to common practices in school administration," according to Read. Accountability is one of the main reasons behind the movement toward using MBO in education. As the public demands to know more precisely how the schools use resources and what goals education achieves, educators are attracted to the specificity and efficiency of MBO systems. Read points out that MBO and accountability have not always been linked. The development of MBO as a business management practice had nothing to do with "the accountability-in-education movement." Instead, MBO was developed to relate "findings in behavioral research to the business situation."

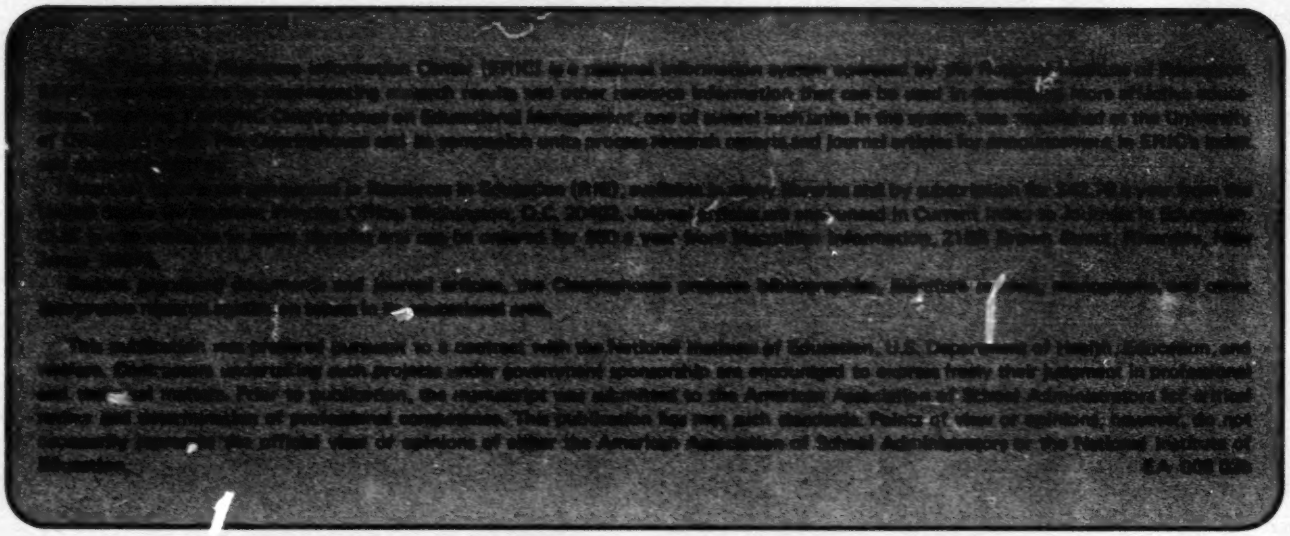
The basis of MBO, according to Read, is "the managing process," which consists of four major functions: "planning, organizing, actuating, and controlling." Built into this process is the mechanism for accountability. By evaluating performance instead of personality, responsibility is placed in the proper perspective, and individuals are held accountable for specific objectives.

Read points out that certain "obstacles to implementing MBO" exist, such as defining the principal's authority to regulate teacher performance (and, possibly, salary). But these difficulties are minor compared to the benefits MBO can bring to the schools, this author concludes.



Saurman, Kenneth B., and Nash, Robert J. "M.B.O., Student Development, and Accountability: A Critical Look." ***NASPA,*** 12, 3 (Winter 1975), pp. 179-187. EJ 120 688.

Saurman and Nash's basic contention is that "a system preoccupied with MBO measures can easily tyrannize the persons within an organization." They cite research indicating that MBO is in part a ***political*** response to the public's demand for accountability. Subtle political pressure is brought to bear on MBO participants to shortchange the "human goals" of education in favor of cost-effectiveness.



The result is frequently the illusion of efficiency, created to pacify "cost-conscious legislators and a cynical public." In actuality, however, the important developmental aspects of education (emotional growth, improved human relations, and so forth) are shunted aside and, in the process, the whole concept of education is redefined much more narrowly. Thus, Saurman and Nash conclude, "MBO is ***not value free,***" as its proponents present it. Instead, its application to education necessitates profound (and destructive) changes in the very institution it is meant to improve.

This article offers one of the most articulate statements of the effects MBO can have on education. Although the remarks are addressed specifically to higher education student personnel, they are equally relevant for elementary and secondary educators.

Segner, Ken B. "Comment: MBO: The School as a Factory?" ***Community College Review***, 2, 3 (Fall 1974), pp. 4-5. EJ 111 388.

In this brief article, Segner lists his objections to the application of MBO to education. It is wrong, he contends, to attempt to apply to education a management model designed for corporate business. The differences between the two institutions' means and ends are too great to be reconciled. As he states, "the purpose of business is to make money." This goal and the means to achieve it are easily quantifiable and may be accurately measured by objective methods. The same is not true for the goals of education. According to Segner, it is dangerous to try to quantify and objectify education in such a manner.

He states that the application of MBO to education is tantamount to asserting that "what's good for General Motors" is good for the schools. Segner believes that such an attitude "is as shallow and incorrect as it is disgusting."

Segner's opinions are more emphatically and concisely stated than those of other MBO opponents, but his basic objections to MBO's use in education are the same—it neglects the all-important qualitative aspects of education.

Steers, Richard M. ***Task Goal Attributes, n Achievement, and Supervisory Performance. Technical Report No. 30.*** Irvine: Graduate School of Administration, University of California, 1974. 25 pages. ED 106 499.

The process of goal setting, so integral to MBO, is examined in this study in relation to individual differences (personality traits). Previous research has shown that better "task performance" can result from the act of setting clear, well-defined goals, like those established in an MBO system. But how much is the success of this method of goal setting contingent on the personalities of the persons involved? Steers' study offers a tentative answer to this question.

The study, conducted at a large West Coast public utility, utilized 133 female first-level supervisors as subjects. All these women worked under an MBO program. The subjects' perceptions of five "task goal attributes," as well as a measure of their need for achievement, were correlated with job performance measures and demographic data. The five task goal attributes described the goal-setting process, including the degree of employee participation, goal difficulty, and goal specificity.

The findings indicated that for high need achievers, performance improved when they were working on "clear and highly specific goals" and when they were given "ample feedback" on their progress toward those goals. The same, however, was not true for low need achievers.

The measure of this one personality trait indicates that the MBO goal-setting process is not equally effective for all participants (especially low need achievers). As Steers states, "According to these data, many managers need to reexamine their simplistic notions of goal setting programs, like MBO." He maintains that there is a need "to vary or personalize program implementation techniques."

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